FIFTY-FIFTH ANNUAL REPORT

OF THE

PRESIDENT AND DIRECTORS

OF THE

CHESAPEAKE AND DELAWARE CANAL COMPANY,

TO THE

STOCKHOLDERS AND LOANHOLDERS.

JUNE 1, 1874.

PHILADELPHIA:
WM. MANN, PRINTER, 529 MARKET STREET.
1874.

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Map of the COUNTRY Contiguous to the CHESAPEAKE & DELAWARE CANAL

PENNSYLVANIA

MARYLAND

DELAWARE

NEW JERSEY

CHESAPEAKE BAY

DELAWARE BAY

DELAWARE RIVER

Susquehanna River

Columbia

LANCASTER

Strasburg

Gap Tav.

Downingstown

West Chester

Wissahiccon Cr.

Schuylkill River

Falls

PHILADELPHIA

Cochranville

Chester

Ft Mifflin

Woodbury

New London

WILMINGTON

Elkton

Havre de Grace

Bellair

Harford

Bohemia

Manor

Bayard

Middletown

Warwick

Frederick

Bridgeton

Salem

Ft Delaware

Basin

Ready I.

Port Penn

Bridgetown or Head of Chester

Salisbury or Smyrna

BALTIMORE

Chester T.

Drawn & Engraved by H.S. Tanner

Scale of Miles.

1 2 4 6 8 10 12

TABLE of distances

From Philad^a to Delaware City	42	Miles
Del. C. to Chesap. via Canal	14	"
Chesap. to Havre de Grace	25	"
Chesap. to Baltimore	60	"

Longitude East 1° 10' from Washington.

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ANNUAL MEETING.

OFFICE CHESAPEAKE AND DELAWARE CANAL COMPANY,

PHILADELPHIA, June 1, 1874.

At a general meeting of the proprietors of the Chesapeake and Delaware Canal Company, held at their office, in the City of Philadelphia, on the 1st of June, A.D. 1874, JOSEPH SWIFT, Esq., was called to the Chair, and HENRY V. LESLEY appointed Secretary.

The minutes of the last Annual Meeting were read and approved, also the minutes of the meeting held in December, 1873.

The President and Directors laid before the meeting a full report of their proceedings for the past year, and a statement of their receipts and expenditures to May 31st, 1874, which were read; and, on motion, it was unanimously

Resolved, That the report and statement this day presented by the Directors be accepted and approved, and that the same be placed on the files of the Company.

Resolved, That the President and Directors cause the said report, and so much of the statement as they may deem proper, to be published in pamphlet form for the use of the proprietors.

On motion, the following resolution was unanimously adopted, viz.:

Resolved, That the recommendation of the Board of Directors, that no dividend be declared at this time, be accepted.

On motion, the meeting adjourned to go into an election for a President and fourteen Directors to serve for the ensuing year, and until others be chosen.

Messrs. J. Alex. Shriver and J. A. L. Wilson were appointed judges of the election.

The meeting reassembled at noon.

The chairman presented to the meeting the certificate of the election just held, which was read, by which it appeared that the following named gentlemen were elected a Board of President and Directors, and were by the Chairman declared to be so elected, viz.:

PRESIDENT.

ANDREW C. GRAY.

DIRECTORS.

George Cadwalader,	Isaac Ford,
Joseph Jones,	Charles H. Hutchinson,
William Harmar,	Edwin Swift,
H. Pratt McKean,	David Scull,
John F. Gilpin,	Mahlon P. Hutchinson,
Thomas A. Biddle,	John R. Baker,
I. V. Williamson,	Charles Dutilh.

On motion, the meeting adjourned.

Joseph Swift,
Chairman

Henry V. Lesley,
Secretary.

ANNUAL REPORT.

The President and Directors of the Chesapeake and Delaware Canal Company, as required by the charter, submit this, their Fifty-fifth Annual Report, for the information of the Stockholders and Loanholders of the Company.

In making this report of the operations of the Canal for the past year, it is proper, in the first place, to make reference to the serious disaster to which our work was subjected by an unprecedented fall of rain, which occurred on the line of the Canal on the 12th and 20th of August last. An immunity from the damages of heavy rainfalls for a period of nearly forty years had led us to believe that, whatever other misfortunes might befall the Chesapeake and Delaware Canal, it was in this respect safe. The judicious construction of the towpaths, guard-banks, the locks and their appurtenances, with the yearly repairs and additions thereto, receiving as they did the constant and vigilant care of the officers in charge of the works, it was believed gave ample security and protection from any possible floods; the rains of August 12th and 20th, 1873, were, nevertheless, of such overwhelming proportions as to demonstrate that no device that could be adopted, no exercise of care or diligence that could be required, would effectively guard and secure the property of the Company, or that of its neighbors, from loss and damage.

The rain of August 12th did considerable injury to the towpath and guard-banks on the lower level, caused numerous shoals of gravel and sand in the upper level, and stopped the trade for nearly the whole week thereafter; that of the 20th of August destroyed and damaged, more or less, nearly the entire line of towpath, berme, and guard-banks, filling the prism of the Canal with at least one hundred thousand yards of earth, sand, gravel, stumps, &c., and forcing between thirty-

five and forty barges and vessels out of the Canal into the adjoining meadows and cornfields near St. George's, finally ending with the breakage of the reservoir.

It is with regret that we add that the Delaware Railroad track, for a distance of twelve miles, was, from the same cause, most seriously damaged. The heavy embankment, thirty-five feet in height, on this road, and a large stone pier about the same height, connecting with its bridge over the canal, were entirely carried away, together with all the culverts for the above distance; while every millpond dam, and every common road bridge in that part of New Castle County was also destroyed, and travel and trade on the railroad and common highways were obstructed for a period of two weeks, and in many places for a greater length of time.

Under these trying circumstances, our Superintendent and the officers under his orders, on the line of the Canal, without dismay, went to work to repair the damages, and place the property of the Company again in navigable condition.

Dredges, scows, and tugs were, as soon as possible, procured and sent to the Canal; wheelbarrows, shovels, and picks were bought; a force of six hundred men, and the means and appliances for feeding and lodging them, were in a few days supplied. The repairs were energetically prosecuted day and night, and on the 27th of September a stage of water from seven and a half to eight feet was obtained, enabling on that day a large number of steamers, sail vessels, and barges to pass through the Canal. The fleet that had been thrown into the meadows and fields, as previously stated, having, in the meantime, been floated back into the Canal. By the middle of October the usual depth of nine feet of water was restored, and made fully equal to the demands of the trade.

While making this brief statement of our misfortunes, it is due from the President and Directors to acknowledge their indebtedness to Mr. John R. Price, the Superintendent, for the faithful devotion, the untiring assiduity, for many days and nights, and the prudent, cautious, and sound judgment displayed on his part in prosecuting the arduous work of making the necessary repairs to the Canal, and in so short a

time. It is also due to the General Superintendent, and the Engineer of the Delaware and Raritan Canal, to acknowledge their aid and assistance in sending their boarding scows, and a large number of their skilful canal laborers, to our relief.

The cost ($92,103.70), as hereinafter stated, of repairing the damages incurred by this memorable flood has been necessarily large, and was enhanced by forcing the work to completion in the briefest time possible. To this must be added the loss of tolls during at least six weeks of our busiest season, amounting to a sum not less than $40,000; and it may also be further stated that the deranged and depressed condition of the business of the country since September, 1873, has further reduced the amount of revenue for the year.

The revenue from Tolls for the year ending May 31, 1874, amounts to	$278,600 70
Interest, rents, and other sources,	6,805 25
Balance on hand May 31, 1873,	156,499 58
	$441,905 53

The expenditures for the same period are as follows:

For materials, wages, repairs, interest on mortgage debts, taxes, salaries of officers, rents, &c., exclusive of cost of repairs from flood,	$215,344 67	
For dividend on stock,	56,427 00	
For repairs occasioned by the flood of the 12th and 20th of August, 1873,	92,103 70	363,875 37
Leaving net cash in Treasurer's hands,		$78,030 16
Deduct five months' accrued interest,		49,842 08
Balance,		$28,188 08

The balance shown by these figures makes a dividend unadvisable, and it is therefore not recommended.

The amount of capital stock now outstanding is,	$1,881,050 00
The amount of funded debt is,	1,993,683 12

The contingent fund account stands as follows:

Securities on hand May 31, 1874,	$124,700 00
Cash on hand May 31, 1874,	14,027 51

The President and Directors had hoped at the beginning of the present year, by a reduction of the expenses which was then inaugurated, and the maintenance of a steady gross revenue, to have presented a more flattering statement of your affairs—regrets are, however, unavailing. An effort to retrieve the losses of the past year should be earnestly made by all to whose charge your interests are committed.

The Canal is now in good navigable condition; better, in fact, than it was before the break. The new towpath banks are of larger dimensions than they formerly were. During the winter and spring, as was anticipated, they have settled to some extent; but this has been provided for by extra deposits of materials when they were reconstructed. The banks on the lower level, in places where they were not carried away by the flood, have settled from soakage, and will require raising during the summer. Everything has thus far been done that was in our power to make the new and old work secure.

In conclusion, the thanks of the President and Directors are due to the officers and employees of the Company, on the line of the Canal, for a faithful and zealous discharge of their respective duties, especially under the trying circumstances of the year just closed.

ANDREW C. GRAY,
President.

JUNE 1, 1874.

GENERAL STATEMENT OF CASH,

For year ending May 31, 1874.

Balance on hand, May 31, 1873, . .		$156,499 58
Tolls received during the year ending, May 31, 1874, ...		278,600 70
Received from rents on Real Estate of the Company, ...		285 00
" " sale of material, purchased on account of break at Canal,		2,146 41
" " sale of coal, " " " "		78 00
Interest received on money loaned out, ...		4,295 84
Contingent Fund Account.—Interest and dividends received from sundry investments in this fund, ...		7,281 60
		$449,187 13

CONTRA.

Contingent expenses during the year, viz.:		
Labor, wages, repairs, lumber, iron, including repairs to the Canal last fall, ...	$115,289 13	
Water Works.—Fuel, labor, repairs, and chandlery, ...	14,764 20	
Dredging Account.—Including fuel, wages, repairs, &c. Also, charter of extra dredges and scowing during break, ...	22,171 15	
		$152,224 48
Incidental Expenses.—Including salaries of all officers and clerks, office rent, printing, stationery, telegraphing, insurance, counsel, &c., ...		19,218 04
Damages Account.—Paid to individuals for flooding of their lands a second time, ...		3,525 00
Tolls.—Drawbacks allowed and amounts refunded to captains of boats, ...		3,823 49
Interest on mortgage loan.—Paid to loanholders, .	$119,621 00	
U. S. Tax, being the per cent. of "Interest on Loan," withheld from loanholders, now paid to the Government, ...	4,581 71	
		124,202 71
U. S. Tax.—Being the interest on said amount of "Interest on Loan" withheld from the loanholders, and charged by the Government in account rendered, ...		1,356 52
Dividend on Capital Stock.—Dividend declared in 1873, ...		56,427 00
Dividend Fund Account.—Amounts paid to representatives of Estate of S. Mohr, and to the Misses Halbach, purchase of mortgage loan, and charged to account of this fund, . . .		3,098 13
Balance on hand May 31, 1874.—In Banks, in Treasurer's and Collector's hands, ...		85,311 76
		$449,187 13

HENRY V. LESLEY,

Treasurer.

BALANCE SHEET.

May 31, 1874.

CR.

CAPITAL STOCK.—Amounts paid in, ...		$2,078,038 50
STOCK SCRIP ACCOUNT.—Being balance of scrip at this date unconverted into stock, being part of dividend declared, . .		1,175 00
MORTGAGE LOAN.—Due in 1886, ...		1,993,750 00
		$4,072,963 50

DR.

COST OF CANAL.—This includes all payments made for construction, repairing and conducting the Company's Works to May 31, 1874. The account being charged with all interest, dividends and taxes paid, and credited with tolls received, rents on real estate, interest on money loaned, investments in the contingent fund, &c., to May 31, 1874, ...		$3,550,262 91
CONTINGENT FUND ACCOUNT, viz.: Investments in		
Stock of Delaware R. R. Co. (664 shares), . .	$16,600 00	
" Del. and Ches. Tow Boat Co. (34 shares),	3,400 00	
" Del. Division Canal Co. (200 shares), .	10,000 00	
" Ches. Del. and Hud. Trans. Co. (100 shs.),	10,000 00	
Loans of Schuylkill Navigation Co., ...	6,200 00	
" Lehigh Coal and Navigation Co., . .	10,000 00	
" State of Pennsylvania, ...	23,000 00	
" City of Philadelphia, ...	20,000 00	
Bonds of Camden and Amboy R. R. Co., . . .	10,000 00	
" State of New Jersey, exempts, . . .	3,000 00	
" Lehigh Valley R. R. Co., ...	6,000 00	
" Wilmington and Reading R. R. Co., .	4,000 00	
Mortgage on property in Delaware City, . . .	2,500 00	
		124,700 00
DIVIDEND FUND ACCOUNT, viz.:		
Stock and scrip of the Chesapeake and Delaware Canal Co., after deducting the stock dividend of 1869 from the stock held by the Company (see report of 1869), and stock issued from converted loan purchased to this present date, . . .		175,975 00
Mortgage loan of the Company being balance of the dividend fund not yet converted in the stock of the Company, . .		66 88
Real Estate on the line of the Canal in Delaware and Maryland,		25,721 95
Balance in Banks, and in hands of Treasurer and Collectors,		85,311 76
		$4,072,963 50

HENRY V. LESLEY,
Treasurer.

CONTINGENT AND INCIDENTAL EXPENSES,

For 12 months, ending May 31, 1874.

Labor and team work.—On the line of Canal, . . .	$7,854 16	
" " " drains and sluices, .	1,291 06	
" " " including material, charged to damage account, ...	52,980 12	
		$62,125 34
Material Used.—Including account of Contractor of supplies, charged to damages account, ...		9,044 14
Deep Cut.—Labor, teams, and material, ...		7,007 49
Lightering vessels in the Canal, most of which is charged to damages account, ...		452 55
Towing Account.—For teams at the several locks, . .	$1,970 00	
Teams and tugs employed, charged to break, ...	1,150,00	
		3,120 00
Steamer, barge,and flats, for boarding men, ...		890 25
Transportation of laborers to Canal by railroad, ...		260 90
Lumber and timber.—Purchased for general purposes,	$2,905 89	
For sluices and wharfing, charged to break, ...	2,822 30	
		5,728 19
Hardware, wheelbarrows, shovels, picks, &c.—Most of which charged to damage account, ...		3,375 63
Chandlery, oil, paints, store accounts for general use on the line,		387 33
Ice breaking on the Canal, ...		50 00
Dredging Account.—For 155 tons of coal used, . . .	$928 60	
Wages of the captain and hands,	2,998 48	
Chandlery and findings, . . .	302 70	
For repairs to Co.'s dredger and scows, ...	1,758 12	
For general towing of scows, .	953 82	
Special charters for other dredges, charged to break, ...	15,229 43	
		22,171 15
Wages of men.—Employed at the several locks, . . .	$6,056 00	
" " " bridges, . .	3,744 00	
		9,800 00
Locks.—Repairs and supplies to the Delaware City lock,	$1,370 76	
" " St. George's lock, .	700 32	
" " Maryland lock, .	677 26	
" to the wickets of the different locks, .	169 05	
		2,917 39

* Water Works.—For 1488 tons coal purchased, . .	$7,823 19		
Wages of the engineers and men, .	5,087 50		
For chandlery and findings, . . .	1,020 55		
Repairs and iron work of all kind,	832 96		
		$14,764	20
Bridges.—Repairs and supplies to Delaware pivot bridge,	$339 82		
" " St. George's lock bridge,	460 75		
" " Summit bridge, . .	763 50		
" " Maryland pivot bridge,	103 22		
" " Chesapeake City bridge,	74 98		
" to the tow-path bridges, ...	200 00		
		1,942	27
General repairs.—To the real-estate of the Company on the line of Canal, . . .	$1,224 19		
" wharves, piers, and sluices, .	1,934 03		
" reservoir and dam, . . .	572 50		
		3,730	72
Damages paid to landowners for overflowing their properties a second time, ...		3,525	00
Insurance and taxes on property of the Company on line of the Canal, ...		493	47
Telegraph Line.—Expenses of working the line and repairs to same, ...		218	97
Advertising, printing, stationery, blanks, &c., ...		672	22
Office rent, counsel, special telegraphing, fuel, attendance, &c., .		3,930	31
Salaries of all officers, superintendents, collectors, and clerks, . .		18,360	00
		$174,967	52

HENRY V. LESLEY,
Treasurer.

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* WATER WORKS.—A synopsis of work performed, including number of hours running time of wheel, quantity of water raised from the Creek into the Canal (20 feet lift), coal consumed, and cost of operating the works.

1873.	Hrs. run.	Gallons raised.	Coal used.	Cost of coal.	Wages Eng'rs and Men.	Cost Repairs and Findings
June,.....	469	1,055,250,000	188 tons	$1,052 80		
Jnly,.....	453	1,019,250,000	181 "	1,013 60		
Angust,.....	240	540,000,000	96 "	537 60		
September,...	420	945,000,000	168 "	940 80		
October,.....	395	888,750,000	158 "	884 80		
November,...	267	601,200,000	107 "	599 20		
December,....	17	38,250,000	7 "	39 20		
1874.						
Jannary,.....	.....	.....	.....	....		
February.....	.....	.....	.....	.....		
March,.....	112	251,000,000	45 "	252 00		
April,.....	120	270,000,000	48 "	268 80		
May, ...	225	506,250,000	90 "	504 00		
Totals,	2718	6,114,950,000	1,088 "	$6,092 80	$5,090 50	$1,853 51

About 2,250,000 gallons water raised 20 feet, in one honr, at a cost of $4.60.

72.07

6) 360441

6006.85

4900 5900

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51

3

16

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27 189 7 5